(DRAFT) AGENDA

Special Virtual Meeting – Bremerton Planning Commission (Subject to PC approval) July 18, 2022 5:30 P.M.

Join Zoom Meeting

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- I. CALL TO ORDER
- II. CLERK CONFIRMATION OF QUORUM
- III. CHAIR CALL FOR MODIFICATIONS TO AGENDA
- IV. APPROVAL OF MINUTES: June 27, 2022 meeting
- V. PUBLIC MEETING
 - A. Call to the Public: Public comments on any item not on tonight's agenda
 - **B.** Public Hearing:
 - 1. Zoning code amendments for Cottage Housing, Duplexes & Townhomes, definition updates, and State law updates related to density bonuses for religious institutions and Bremerton Housing Authority.

VI. BUSINESS MEETING

A. Chair Report: Richard Tift

B. Director Report: Andrea Spencer

C. Old Business:

D. New Business:

VII. ADJOURNMENT: The next regular meeting of the Planning Commission is <u>Monday September 19, 2022</u>

<u>Please note the August regular meeting will be cancelled</u> Planning Commission meeting packets are available on-line at http://www.BremertonWA.gov/AgendaCenter/Planning-Commission-4

DRAFT

Subject July 18, 2022, Approval

CITY OF BREMERTON

PLANNING COMMISSION MINUTES OF VIRTUAL MEETING June 27, 2022

Andrea Spencer, Director, Department of Community Development

Kate Millward, Planner, Department of Community Development

Garrett Jackson, Planning Manager, Department of Community Development

Sarah Lynam, CDBG Administrator, Department of Community Development

CALL TO ORDER:

Chair Tift called the regular meeting of the Bremerton Planning Commission to order at 5:30 p.m.

Staff Present

ROLL CALL

Commissioners Present

Chair Tift

Commissioner Coviello Commissioner Flemister Commissioner Pedersen Commissioner Wofford

Commissioners Excused

Vice Chair Rich

Commissioner Mosiman

Quorum Confirmed

CHAIR CALL FOR MODIFICATIONS TO AGENDA

The agenda was accepted as presented.

APPROVAL OF MINUTES

COMMISSIONER WOFFORD MOVED TO APPROVE THE MINUTES OF MAY 16, 2022, AS PRESENTED. COMMISSIONER FLEMISTER SECONDED THE MOTION, WHICH CARRIED UNANIMOUSLY.

PUBLIC MEETING

Call to the Public (public comments on any item not on the agenda)

Chair Tift invited public comments. There were none.

Workshop: Zoning Code Amendments Identified in the Infill Housing Toolkit (Cottage Housing, Duplexes and Townhomes), Definition Updates, and State Law Updates Related to Density Bonuses for Religious Institutions

Mr. Jackson reviewed that amendments to implement the Infill Housing Toolkit were introduced at the Commission's April meeting. At this workshop, staff will present proposed code language. The Commission will review the proposed amendments provided in the Staff Report, take public testimony and provide feedback to staff for a future public hearing.

Mr. Jackson explained that the Assessment of Bremerton's Affordable Housing Policies and Regulations (Infill Housing Toolkit) identifies suggested Zoning Code Amendments for allowing duplexes, townhomes in the Low Density Residential (R-10) zone and cottage houses within the Low Density Residential (R-10) and Medium Density (R-18) zones. It also suggests an amendment to allow bonus densities to religious organizations. The document can be viewed at https://www.bremertonwa.gov/DocumentCenter/View/7035/Infill-Toolkit-PDF. The topics are also covered in a joint document the City did with Kitsap County called the City of Bremerton and Kitsap County Affordable Housing and Recommendations Report, which can be viewed at <a href="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/8501/Kitsap-Affordable-Housing-Recommendation--Full-Report-PDF?bidld="https://www.bremertonwa.gov/DocumentCenter/View/

Mr. Jackson reviewed the proposed amendments as follows:

• Duplexes and Townhomes in LDR Zone. The City already allows duplexes and townhomes in the LDR zone if within 500 feet of a commercial district and promotes townhomes as part of a specialty subdivision called Residential Cluster Development. The City also permits three homes on one lot, a primary residence and two Accessory Dwelling Units (ADUs) with no owner-occupancy requirement. Kitsap County already permits or conditionally permits duplexes, cottage housing and multifamily housing in all Urban Growth Areas (UGAs) that are designated to be annexed by the City of Bremerton at some point in the future. Lastly, in an effort to combat the housing crisis, State Legislators have proposed mandating additional housing types statewide.

Because duplexes and townhomes are already allowed in the LDR zone under certain conditions, staff is proposing that Bremerton Municipal Code (BMC) 20.60.020(j)(3) and (4) simply be amended to strike out "that meets BMC 20.60.060(F)." BMC 20.60.060(F), which is the requirement that they be located within 500 feet of a commercial center or district, would also be eliminated.

• Cottage Housing in LDR Zones. A cottage housing development was built on Snyder Avenue in Bremerton prior to the City adopting an ordinance that prohibited the use. Typically, cottage housing is four or more small dwellings that are clustered together and oriented towards a shared open space. They are usually more pedestrian-oriented rather than auto centric. Cottage housing ordinances are typically accompanied by a density bonus, but that is not the case in the current proposal because the Comprehensive Plan stipulates that any additional housing varieties permitted in the future would need to meet the maximum density limitations.

The proposed amendment would add the following definition for cottage housing: "Cottage Housing Development" means a lot containing more than one principal conventional dwelling unit. Units shall not be greater than 1,200 gross square feet and shall not share any common walls, ceilings, or floors with other principal conventional dwelling units. Research indicates that 1,200 square feet is a common size limitation for cottage housing. In addition to the new definition, BMC 20.60.040(n) would be amended to add the following conditions:

- Orientation. Structures must be oriented to the street or shared open space and limited to clusters of no more than 12 units. This appears to be a common limitation used by other jurisdictions. Anything greater was seen as not promoting the neighborly sensibility that cottage housing developments are supposed to encourage.
- Open Space. 400 square feet of open space would be required per unit.
- Parking. 1.5 parking spaces would be required per unit. The reduced parking to 1.5 spaces per unit is supposed to incentivize this type of affordable housing.
- O Design Standards. Nonresidential structures (sheds/garages) would be limited to 80% gross square feet of all combined residential structures. This is consistent with what is already required in the LDR zone for single-family homes. The intent is to avoid situations where there is a very small home that is out of proportion to a very large garage. Each unit would be required to provide a front porch with a minimum dimension of 6-foot depth by 10-foot length. This seems to be within the range of what other jurisdictions require. A depth of 6 feet would provide enough space for a chair and being able to navigate around it.

- O **Nonconformities.** An existing home that does not conform to cottage housing standards would be allowed to remain, but the remaining units would have to conform to the cottage housing code. They don't want to require someone to demolish an existing home in order to have a cottage housing development.
- o **Procedure.** In the LDR zone, cottage housing developments of three units or less would be outright permitted when all the criteria for approval have been met. This is consistent with the existing code for ADUs. Cottage housing developments of four or more units would require a Conditional Use Permit, which gives the public an opportunity to weigh in on the proposed development.

Lastly, BMC 20.78(j)(5) would be amended to allow cottage housing outright in the Medium Density Residential (MDR) zone, regardless of the number of units, when all of the criteria for approval have been met.

- **Bonus Density for Religious Organizations.** Per Revised Code of Washington (RCW) 36.70A.545, jurisdictions are required to provide a density bonus to religious organizations if the following criteria can be met:
 - Low-Income Housing. All housing provided must be for low-income families.
 - Time Restriction. The development is required to be used exclusively for affordable housing for a period of time no shorter than 50 years.
 - O **Discrimination.** The housing provider cannot discriminate against any person who qualifies as a member of a low-income household.

As proposed, BMC 20.58.100 would be amended as follows to be consistent with State law:

- Applicability. In zones with a maximum density, qualifying projects may increase density by 50%. Some jurisdictions allow a 100% density bonus or even greater, but others were as low as 50%.
- o **Applicant.** The applicant must be a religious organization as defined by RCW 26.04.007 or the Bremerton Housing Authority (BHA). The BHA has consistently shown they can create and maintain housing for low-income families in the City, and they were very interested in having the density bonus apply to them, as well.
- o **Procedure.** A Conditional Use Permit would be required so that the public can have an opportunity to speak to the specific development proposal.
- Criteria for Approval. The applicant would still be required to meet all other City standards (parking, utilities, traffic mitigation, etc.). The provision would not apply to congregate living facilities, and all units must be affordable as defined by RCW 84.14.010. There would be a 50-year term that is recognized by a recorded Notice to Title, and the applicant must consult with Kitsap Transit on appropriate transit services. Lastly, a nondiscriminatory agreement would be required consistent with the RCW.
- Maximum Density. The definition for maximum density would be changed to read, "Density, Maximum" means the maximum number of dwellings allowed per the gross buildable acreage as stated for each zone. Where not specified in a zone chapter, no maximum density shall apply." Single-family development is fairly spread out and requires more land, but duplexes and townhomes are a much more compact development type, which the current definition doesn't lend itself to. Replacing the word "net" with "gross" can be substantial. With gross buildable acreage, a one-acre parcel would allow up to 10 dwelling units, but net buildable acreage would subtract lands that are not buildable (utility easements, critical areas, buffers, etc.). The number of units allowed would be based on just the buildable area. Several examples were provided to illustrate the difference between gross and net buildable acreage.

Chair Tift invited public comments relative to the proposed amendments, but there were none.

Commissioner Wofford asked how much separation would be required between the cottage housing units, and Mr. Jackson answered that there would be no separation requirement in the Zoning Code for cottage housing units, but the Building Code may require a 10-foot separation. Commissioner Wofford asked if it would be appropriate to add a separation requirement, and Mr. Jackson agreed that is something the Commission could consider. However, he noted there is no separation requirement in the Zoning Code for ADUs, either. He agreed to provide information about the Building Code requirement for separation at the public hearing. Commissioner Coviello suggested that the separation requirements in the Building Code, which are likely related to the fire code, could be referenced in this section of the zoning code.

Commissioner Pedersen asked what the setback requirements would be between a cottage housing development and adjacent properties. Mr. Jackson said the setback requirements would be the same as what is required by the underlying zone (5-foot side setbacks and 15-foot rear setbacks). Director Spencer pointed out that the cottages would be limited in scope and size to 1,200 square feet, so one would presume that, even if built to the same setbacks, the impacts of a cottage housing development on an adjacent property would probably be less than large houses in a traditional subdivision. Commissioner Flemister asked what the street setback would be for cottage housing development, and Mr. Jackson answered that the street setback would be consistent with the underlying zoning, which is 15-feet to the primary structure or 20 feet if it is to a garage.

Without a specific separation requirement, **Commissioner Wofford** voiced concern that the cottage housing units could be constructed very close together, enabling someone in one unit to look directly into an adjacent unit. He asked staff to confirm the Building Code requirement.

Commissioner Pedersen said he has visited an existing development that is very similar to cottage housing, located near the power station east of Warren Avenue. He voiced concern that requiring 1.5 parking spaces per unit appears too much, particularly if the goal is to encourage affordable housing. He suggested they consider reducing the parking requirement to one space per unit. Mr. Jackson agreed that is something the Commission could consider, but 1.5 spaces per unit is consistent with the City's current requirement for ADUs. He reminded them that parking in Bremerton is somewhat sensitive, and many people will feel that 1.5 spaces per unit isn't enough. He pointed out that BMC 20.48.100 has a provision for a potential parking reduction for large developments, but the provision is not very easy to utilize. It requires a traffic study, and decisions are made on a case-by-case basis. Director Spencer suggested that staff could do the environmental review and outreach based on one parking space per unit, and then the Commission would have the option to modify it to 1.5 parking spaces based on public comments and their deliberation. Commissioner Pedersen said he would support that approach. He reminded them that he argued against higher parking requirements for ADUs, as well.

Chair Tift said he would not be in favor of using staff time to conduct the environmental review and outreach based on a lower parking requirement. He voiced concern that 1.5 parking spaces would not be enough given the parking woes in the City. He reminded them that the City is currently conducting a parking study. Commissioner Pedersen argued that housing is an even bigger problem for the City than parking. Commissioner Coviello proposed that the Commission discuss parking reductions as part of the next Comprehensive Plan update, as this will allow them to address transit corridors and direct density into these areas. Commissioners Wofford and Flemister said they would also support leaving the parking requirement at 1.5 spaces per unit for the public hearing.

Chair Tift asked how the street setback would be measured. Mr. Jackson explained that the 15-foot setback would be measured from the curb to the primary structure. The front porch can encroach into the setback by six feet. Therefore, the minimum setback for the front porch would be nine feet. Chair Tift asked if the 1,200 square foot maximum size would include the garage, and Mr. Jackson answered that it would only include the living area.

Chair Tift clarified that, currently, duplexes and townhomes are only allowed in the LDR zone if located within 500 feet of a commercial area, and the proposed amendment would remove that requirement. Mr. Jackson concurred. Chair Tift further clarified that, as proposed, the BHA would have the same ability to seek a density bonus as a religious organization. Again, Mr. Jackson concurred. He reminded them that, as proposed, developments that receive a density bonus would not be allowed to utilize the units for anything other than affordable housing for a minimum of 50 years.

Commissioner Pedersen asked if they considered opening the density bonus provision to other non-profit organizations, as well as religious organizations. Hopefully, there will be more organizations focusing on housing in the future. Mr. Jackson pointed out that the State statue requires the City to allow density bonuses for religious organizations, but some jurisdictions offer the density bonus to all non-profit organizations. However, not all non-profits have shown a way to deliver on housing, as the BHA has, and the proposed amendment would not prohibit the BHA from partnering with other non-profit organizations. Chair Tift observed that the BHA has proven to be very adept at creating affordable housing, so giving them authority, in addition to religious organizations, represents a good compromise, especially given they can partner with other non-profits. Commissioner Pedersen asked the potential downside of offering the provision to all non-profits. Director Spencer explained that State law mandates the provision for religious organizations only. The intent is to take a measured approach until they have a better understanding of how the provision will play out. They want to work first with agencies that have a proven track record of delivering projects. They want to avoid having significant density increases in neighborhoods without knowing how

it's going to work. Nothing would preclude the City from adding other agencies as they become more comfortable with how the provision will work. She emphasized this is a new State law and not a lot of jurisdictions have taken advantage of it yet. She said staff has discussed the issue at length, and most of the groups who have expressed interest in the provision are either religious institutions or the BHA. Housing developers who want to implement the provision will likely partner with the BHA anyway.

Ms. Millward clarified that the porch requirement is not a setback from the street. The houses would face each other along a common yard, so the porches would face the common yard and not the street. **Chair Tift** observed that porches would be nice additions to the units.

BUSINESS MEETING

Chair Report

Chair Tift didn't have any items to report.

Director Report

Director Spencer announced that Sarah Lynam has been promoted to the position of Community Development Block Grant (CDBG) Administrator, and they are currently recruiting for the Project Assistance Position that is now vacant.

Director Spencer said she is currently seeking a volunteer from the Planning Commission to assist on the CDBG Project Review Committee, which reviews all of the grant applications that have been received for the approximately \$400,000 CDBG funding the City receives each year. The committee will work throughout the month of August and into the first week or two of September. Most of the work can be done at home, but the committee will meet for a few days at the end to interview applicants and formulate a recommendation to the City Council.

Commissioner Wofford, who served previously on the committee, and **Ms. Lynam** shared more information about how the review process works and the time commitment involved. Time permitting, **Commissioner Pederson** agreed to serve as the Commission's representative on the committee. **Commissioner Wofford** agreed to serve as a backup.

Old Business

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New Business

There was no new business.

ADJOURNMENT

The meeting was adjourned at 6:28 p.m.			
Respectively Submitted by:			
Andrea L Spencer, AICP	Rick Tift, Chair		
Executive Secretary	Planning Commission		

Commission Meeting Date: July 18, 2022 Agenda Item: V.B.1

CITY OF BREMERTON, WASHINGTON PLANNING COMMISSION AGENDA ITEM

AGENDA TITLE: Public Hearing for Zoning Code Amendments

DEPARTMENT: Community Development

PRESENTED BY: Garrett Jackson, Planning Manager

(360) 473-5289 or Garrett.Jackson@ci.bremerton.wa.us

OVERVIEW SUMMARY

Staff is requesting that the Planning Commission conduct a public hearing on the proposed Zoning Code change, consider public testimony and formulate a recommendation for City Council decision. The proposed changes to the Zoning Code are as follows:

- Duplexes & Townhomes remove current Low Density Residential (R-10) Zone requirement that these housing types be located within 500 feet of a commercial district.
- Cottage Housing conditionally permit cottage housing within the Low Density Residential (R-10) Zone, and outright permit within the Medium Density (R-18) Zone.
- *Density Bonus*. State law updates related to density bonuses for religious institutions and Bremerton Housing Authority.
- Definition Updates. Add definition of cottage housing and revise maximum density.

ATTACHMENTS:

Attachment A: Proposed Zoning Code Amendments in legislative mark-up

Attachment B: Bremerton Housing Authority Comment

Attachment C: Planning Commission's Findings and Conclusions

STAFF ANALYSIS AND CONCLUSION:

Staff has reviewed the proposed amendment, and compliance with the City's Code requirements for Zoning Code Amendments as identified in BMC 20.18. The amendments meet the decision criteria set forth in the BMC, and therefore suggests that Planning Commission make a recommendation on the proposal. Please see **Attachment C** "Findings and Conclusions" for a detailed analysis of how the proposal is consistent with the BMC decision criteria for amendments.

OPTIONS FOR MOTION:

At this Public Hearing, the Commission has the following options.

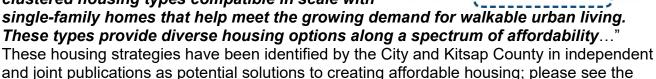
- 1. Recommend that the City Council **adopt** the Zoning Code Amendment **as presented** in this staff report and attachments.
 - a. **Recommended Motion**: Move to recommend the City Council adopt the Zoning Code's text amendments to Title 20 of the BMC as shown in Attachment A, and based upon the Staff Report and the Findings and Conclusions presented in Attachment C.
 - b. Recommend the City Council **adopt** the Zoning Code changes as **modified** by the Commission.
 - c. Recommend **denial** of any part of the Zoning Code amendments.

STAFF ANALYSIS

In an effort to encourage the construction of affordable housing, the proposed amendments would add *Missing Middle* housing types to the zoning code. According to the Congress for New Urbanism,

"Missing Middle is a range of multi-unit or clustered housing types compatible in scale with

following documents for greater detail:



Missing

- Assessment of Bremerton's Affordable Housing Policies & Regulations (Infill Toolkit)
- City of Bremerton & Kitsap County Affordable Housing Recommendations Report

The Planning Commission held workshops on these topics in April and June of 2022. Please see the <u>April 18, 2022 Planning Commission Workshop Packet</u> and <u>June 27, 2022 Planning Commission Workshop Packet</u> for a full description. In May of this year, Staff also presented these proposed amendments to the *Kitsap Housing and Homeless Coalition (KHHC)*, which represents over 50 partner agencies, including housing providers such as the Bremerton Housing Authority, Kitsap Community Resources, Habitat for Humanity Kitsap County, and Housing Kitsap. The following provides a description of the proposed amendments, which are provided in their entirety in **Attachment A**.

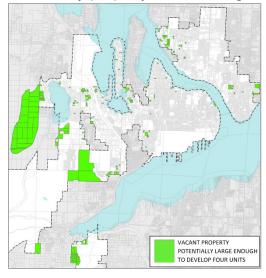
- 1. Duplex & Townhomes. These housing types are already permitted within the Low Density Residential (R-10) Zone, however, current regulatory development hurdles are proposed to be removed with these amendments. Currently, in order to be eligible for these housing types a property must either be within 500 feet of a commercial district or complete a specialty subdivision, referred to as a Residential Cluster Development. In previous reports Staff has outlined how the City, Kitsap County, and Washington State are attempting to promote affordable housing by allowing Missing Middle types to be developed. As conveyed in a released <u>September 2021 White House Brief</u>, the Federal Government is also promoting the end to exclusionary zoning practices that limit housing types in order to promote affordable housing.
- 2. Cottage Housing. Typically, cottage housing consists of smaller homes that are clustered around a common open space. The proposed amendments would limit the size of these homes to a maximum of 1,200 square feet; these modestly sized homes are intended to provide more reasonably priced options. To incentivize the development of these unit types, Staff is recommending 1.5 parking spaces per residential unit, rather than the 2 parking spaces per unit associated with a standard single-family home. Additionally, a cottage housing development would have the added benefit of avoiding the subdivision process, which can be time-consuming and costly. According to the City Building Official, these units would need to be spaced ten feet apart from one another in order to avoid any kind of fire-rated assembly requirements. Staff is not recommending any additional exterior buffering requirements from neighboring properties, as development of smaller structures with required open space is likely to have less of a visual impact than a

standard subdivision which has no City regulatory requirement for exterior buffering. Standard setbacks would still apply. Please note, since the last Planning Commission meeting Staff has refined proposed design standards per BMC 20.60.040(n)(4)(ii) to stipulate front porches shall be covered and incorporated into the architecture of the structure; apart from this minor revision there has been no alterations to the code proposed to the Planning Commission in the June 2022 packet.

- 3. **Density Bonus**. Per RCW 36.70A.545, the City is required to provide a density bonus to religious organizations that are developing affordable housing. In order to comply with State mandate, Staff is proposing the Planning Commission recommend a 50% density bonus for qualifying projects and that this incentive also be made available to the Bremerton Housing Authority. Please see **Attachment B** for a letter of support for these amendments provided by the Bremerton Housing Authority. The density bonus would require the completion of a Conditional Use Permit, and all project would be required to provide affordable housing for a period of no less than 50 years.
- 4. Definitions Update. Proposed changes to the definitions section BMC 20.42, would add a definition for Cottage Housing Development as a new housing type, and would also revise the definition for Maximum Density; please see Attachment A for specific language. The current definition for maximum density calculates the maximum number of dwelling units based off of net acreage, as opposed to gross acreage. A net acre subtracts critical areas, streets, and other undevelopable areas from the total acreage, prior to calculating the number of permissible dwelling units based on the zones density. As the Planning Commission is considering more compact development types that would utilize less physical space, it seems appropriate to instead consider a gross acreage calculation. None of the protections designated in the City Critical Area Ordinance would be effected by the proposed amendment. This proposed change is meant to facilitate a more common sense approach to calculating density that could result in additional dwelling units being constructed in the City.

The intent of the proposed amendments is to add to the Missing Middle housing stock to provide more affordable housing options. If adopted, the immediate response to these amendments may be tempered as development and market conditions become more conducive to Missing Middle housing types. As adopted in 2021, any property where a single-

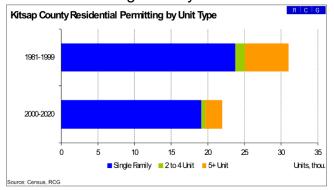
family home is a permitted use, may also choose to develop two Accessory Dwelling Units (ADUs) in conjunction with a primary residence. As ADUs are exempt from the density requirements of individual zones, and are required to provide three total parking spaces for three total units, any legally established lot seeking development of three or fewer dwelling units would likely choose development of a primary residence with two ADUs. This seems probable as a duplex would require four total parking spaces, and a triplex would require five or more parking spaces dependent on the number of bedrooms in the unit. The adjacent map illustrates vacant properties in the Low Density Residential (R-10) Zone, that are of sufficient



acreage to accommodate at least four dwelling units (note: City properties and a large pending subdivision are not included). Qualifying parcels are generally located on the periphery of City limits, which is notable as it means established neighborhoods interior to the City likely do not have the greatest potential to see the proposed housing types developed. Based on gross maximum density, more than 8,500 dwelling units could be absorbed by these areas, though as much of this land is encumbered by critical areas (wetlands, streams, etc.) that number is likely smaller. As duplex and townhome construction represent a much more compact development type, it is more likely that these vacant lands could produce a greater number of units than if only single-family homes are permitted. To be clear, adding housing types in the R-10 zone does not change the density, but it does permit a potentially more efficient use of land.

Per the Rosen Consulting Group May 2022 Kitsap County Housing Market Overview, as presented in the May 2022 Planning Commission Packet, the amount of Missing Middle housing produced in the last 20 years has underwhelmed compared to a similar time period from 1981 to 1999. This is likely due in part to prohibitions put on the develop of these housing types by Kitsap jurisdictions. While greater numbers of Missing Middle Housing were produced during the earlier time period, single-family homes were still the dominant housing type produced. There is no indication that preferences toward single-family homes will

change in the future, however, other types of housing are sorely needed as the <u>Kitsap Sun</u> reports that the average home price in Kitsap County has risen to \$600,000 as of June 2022. While it is unclear how quickly development of the proposed Missing Middle housing types will take to rebound, ending the prohibition is a potential first step for the Planning Commission to Consider.



CONCLUSION

The proposed amendments would add housing types identified in the Assessment of Bremerton's Affordable Housing Policies & Regulations (Infill Toolkit). Staff recommends that the Planning Commission hold an open record public hearing, consider testimony, and formulate a recommendation for the City Council.

PROPOSED ZONING CODE AMENDMENTS

DEFINITIONS, BMC 20.42

20.42.040.

- (c) Definitions "C":
 - "Cottage Housing Development" means a lot containing more than one principal conventional dwelling unit. Units shall not be greater than 1,200 gross square feet, and shall not share any common walls, ceilings, or floors with other principal conventional dwelling units.
 - "Density, maximum" means the maximum number of dwellings allowed per the net gross buildable acreage as stated for each zone. Where not specified in a zone chapter, no maximum density shall apply.

LOW DENSITY RESIDENTIAL (R-10), BMC 20.60

PERMITTED USES, BMC 20.60.020

- (j) Residential Uses.
 - (1) Single-unit dwelling unit, detached;
 - (2) Single-unit dwelling unit, attached (zero (0) lot lines) per BMC 20.60.060(b);
 - (3) Duplex that meets BMC 20.60.060(f);
 - (4) Townhouse that meets BMC 20.60.060(f);
 - (5) Cottage Housing Development of three (3) or less dwelling units (meeting the provisions of BMC 20.60.040(n), except that no conditional use permit is required);

DEVELOPMENT STANDARDS, BMC 20.60.060

- (f) A duplex or townhouse may only be permitted as follows:
 - (1) The underlying density of the zone is met; and
- (2) Within five hundred (500) feet of a commercial district or center.

CONDITIONAL USES, BMC 20.60.040

The following uses may be permitted, provided a conditional use permit is approved pursuant to BMC 20.58.020 subject to the corresponding conditions:

- (n) Cottage Housing Development consisting of four (4) or more dwellings may be approved in accordance with the following:
 - (1) Orientation. Lot orientation shall be in accordance with the following standards:
 - (i) All units with primary street frontage shall first be oriented towards the street, otherwise the common open space shall act as the street front and all units shall be oriented towards the common open space.
 - (ii) Dwellings within a cottage housing development should be broken up into groups of no more than twelve (12) dwellings arranged around a common open space. The applicant shall demonstrate all efforts have been made to link housing clusters by ADA accessible paths and shared parking.
 - (2) Open Space. The following open space requirements apply to all proposals regardless of number of units:
 - (i) A minimum of four hundred (400) square feet of common open space is required per dwelling unit.
 - (ii) Parking areas, setbacks, spaces between buildings of ten (10) feet or less in width and driveways shall not count as common open space.
 - (3) Parking. Off-street parking shall be provided in accordance with the requirements set forth in Chapter 20.48 BMC, and the following criteria:
 - (i) One-and-a-half (1.5) parking spaces are required for each dwelling unit.

- (ii) All parking areas and vehicle circulation shall be consolidated to the degree feasible.
- (iii) Parking areas serving more than one dwelling unit shall not be located on a primary street frontage and should be located off an alley or a secondary street.

 (iv) Garages and carports shall be oriented so that vehicle entrances are located off an alley or private parking area. All efforts shall be made to not orient vehicle entrances toward a primary frontage.
- (4) Design Standards.
- (i) Nonresidential Structures. Accessory structures and attached garages shall meet design standards per BMC 20.60.060(d), and the combined gross square feet of all accessory structures shall not exceed eighty (80) percent of the combined footprint of all onsite residential structures.
- (ii) All dwellings shall include a covered front porch that is integrated with the structure's architecture. The minimum porch depth shall be six (6) feet, with a minimum width of ten (10) feet. This area shall not be included in dwelling gross square feet, but may be included in required open space area.
- (5) Nonconformities. An existing detached single-family residential structure, which may be nonconforming with respect to the standards of this section, shall be permitted to remain, but the extent of the nonconformity may not be increased. Such nonconforming dwelling units shall be included in the maximum permitted cottage density.

MEDIUM DENSITY RESIDENTIAL (R-18), BMC 20.78

OUTRIGHT PERMITTED USES, BMC 20.78.020

Only one (1) principal use shall be allowed on each residentially zoned lot unless allowed for otherwise by law. This limitation shall not include permitted accessory uses associated with a permitted principal use.

The following uses are permitted outright:

- (j) Residential Uses.
 - (1) Single-unit dwelling unit, detached;
 - (2) Single-unit dwelling unit, attached (zero (0) lot lines) per BMC 20.78.060(b);
 - (3) Duplexes (meeting underlying zoning density);
 - (4) Townhouse (meeting underlying zoning density):
 - (5) Cottage Housing (meeting the provisions of BMC 20.60.040(n), except that no conditional use permit is required)

LAND USE PERMITS, BMC 20.58

20.58.100 AFFORDABLE HOUSING BONUS.

- (a) Authority. This section provides an optional incentive to develop and manage affordable residential projects, while ensuring reasonable compatibility with neighborhood scale, character, and limiting negative impacts to the neighborhood. In zones with a maximum density, developments meeting the requirements of this section may increase the underlying maximum density by fifty (50) percent.
- (b) Applicant. The following organizations may initiate a request for an affordable housing bonus:
 - (1) Religious organizations as defined by RCW 26.04.007; and
 - (2) The Bremerton Housing Authority.
- (c) Procedure. Approval of an administrative Type II Conditional Use Permit (CUP) pursuant to BMC 20.58.020 is required. The Director may require a Type III nonadministrative CUP whenever the use has a significant impact beyond the immediate site, is of a neighborhood or

ATTACHMENT A

community-wide interest, or is of a controversial nature. The proposed development shall meet the following criteria in order to be granted approval:

- (d) Criteria of Approval. In addition to criteria of approval per BMC 20.58.020(d), the following shall apply:
 - (1) All units within the proposed development shall be affordable, as defined per RCW 84.14.010. Income levels of households occupying any residential unit within the proposed development shall not exceed the definition of low-income household as defined by RCW 84.14.010;
 - (2) The property owner agrees to a binding obligation that requires the development to be used exclusively for affordable housing purposes for a period of no less than fifty (50) years. A notice to title recognizing this obligation shall be approved by the City and recorded with the Kitsap County Auditor;
 - (3) This section applies exclusively to single-family, duplex, and multifamily housing proposals and does not include group residential, boarding house, or other similar congregate living facilities;
 - (4) The affordable housing development does not discriminate against any person who qualifies as a member of a low-income household based on race, creed, color, national origin, sex, veteran or military status, sexual orientation, or mental or physical disability; or otherwise act in violation of the federal fair housing amendments act of 1988;
 - (5) Applicants shall consult with Kitsap Transit to ensure appropriate transit services are provided to the affordable housing development.

ATTACHMENT B



600 Park Avenue Bremerton WA 98337 (p) 360-479-3694 (f) 360-616-2927 www.bremertonhousing.org

July 7, 2022

Community Development 345 6th Street, Suite 100 Bremerton, WA 98337

Dear City of Bremerton Planning Commission:

I want to thank you for considering that the Bremerton Housing Authority be included in the proposed amendment implementing the RCW 36.70A.545 legislation which requires that jurisdictions allow a density bonus to housing projects of religious organizations. As you are aware, there is an extreme shortage of affordable housing in Bremerton.

The shortage of affordable housing negatively impacts the mission of the Bremerton Housing Authority and is part of the reason that we are unable to fully utilize the federal resources allocated to us by HUD. For example, we have been allocated approximately 1,900 housing choice vouchers but currently only utilize approximately 1,350. Part of the reason is a lack of funding, but much of the reason is a lack of available units for voucher participants. We currently have over 150 voucher holders looking for housing in Kitsap County. Many of our voucher holds eventually give up and their vouchers expire. When this happens, they cannot get another voucher until our waitlist opens which only happens at the most, once a year. Not utilizing our vouchers also denies us approximately \$5 million dollars in federal funding annually.

The Bremerton Housing Authority has implemented several strategies to address the affordable housing crisis, including:

- Appealing the HUD determined Fair Market Rent calculation which allowed higher payment standards so voucher holders have more buying power.
- Hiring a Landlord Liaison to increase landlord participation.
- Working to complete a project based and preference strategy to have a targeted approach to expanding our utilization of vouchers.
- Increasing our affordable housing stock through development and acquisition.

The amendment for density bonus will be of particular significance to Bremerton Housing Authority in our efforts to build housing. We currently have one project in the planning stages. The density bonus will allow us to build more studio and/or one-bedroom units on this site. This is important because, our highest demand is for one-bedroom or studio units.

Thank you again for this consideration and please let me know if you have any questions for me.

Sincerely,

Jill Stanton, Executive Director





FINDINGS AND CONCLUSIONS OF THE CITY OF BREMERTON PLANNING COMMISSION

Summary:

Amendments to Bremerton Municipal Code Title 20 related to (1) Cottage Housing, (2) Duplexes & Townhomes, (3) Definition updates, and (4) Updates related to State required density bonuses for religious institutions and the Bremerton Housing Authority.

I. FINDINGS OF FACT

1. Project Description:

The proposed amendment includes revisions to Bremerton Municipal Code as follows:

- A. In the Low Density Residential Zone, remove requirement that duplex and townhome uses be within 500 feet of a commercial district; BMC 20.60.
- B. Add Cottage Housing Development as a permitted (or conditionally permitted) use in the Low Density Residential (R-10) and Medium Density (R-18) Zones; BMC 20.60 & BMC 20.78.
- C. Add density bonus for religious organizations and the Bremerton Housing Authority; BMC 20.58.
- D. Add definition for Cottage Housing Development and revise definition for Maximum Density; BMC 20.42.

2. **Procedural History**:

- 2.1 Planning Commission Workshops: April 18, 2022 & June 27, 2022
- 2.2 Washington State Department of Commerce Notice: July 7, 2022
- 2.3 SEPA Threshold Determination DNS: July 8, 2022
- 2.4 Notice of Public Hearing: July 8, 2022
- 2.5 Planning Commission Public Hearing: July 18, 2022

3. Public and Agency Comment:

- 3.1 At workshops held on April 18 & June 27, 2022, no comments were received:
- In advance of the July 18, 2022 Public Hearing, written comments were received by the Bremerton Housing Authority in support of the proposed density bonus; BMC 20.58.
- 3.3 At the Planning Commission Public Hearing on July 18, 2022, the following people testified:
 - 1.
 - 2.

4. **SEPA Determination**:

A Determination of Non-Significance (DNS) was issued on July 8, 2022, to date no comments or appeals have been filed.

5. **Consistency**:

Text amendments to Title 20 shall meet the decision criteria outlined in BMC 20.18.020(d). The Planning Commission may recommend, and the City Council may adopt or adopt with modifications, an amendment to Title 20 if the criteria outlined below are met.

(1) It is consistent with the goals and policies of the comprehensive plan;

Analysis: The proposed amendments continue to uphold the objectives and goals of the Comprehensive Plan, and implement the following policies:

ATTACHMENT C

The amendments continues to uphold the objectives, goals and policies of the Comprehensive Plan such as:

- Policy LU1(B): Coordinate Bremerton's growth consistent with the Kitsap Countywide Planning Policies and the Puget Sound Regional Council's Vision 2040, and State requirements.
- Policy LU4(C): Provide land use regulations that give opportunities for the community to have fair access to livelihood, education, and resources.
- Housing Vision: To encourage the growth of Bremerton by strategically locating a wide variety of housing types throughout the City in a way that protects the environment and fosters community health.
- Housing Goal H2: Encourage the development of a variety of new housing options and densities to meet the changing needs of Bremerton's residents.
- Policy H2(C): Supporting infill development and increased densities and the use of Low Impact Development (LID) techniques and Best Management Practices (BMPs) to ensure efficient and cost-effective utilization of existing public utilities.
- Housing Goal H3: Support access to quality and affordable housing for all Bremerton residents.
- Policy H3(A): Provide opportunities for the production of new housing for all incomes, ages, and family types through infill by stimulating growth of nontraditional housing types such as townhomes, carriage units, accessory dwelling units, and duplexes in locations where they will seamlessly infill into the fabric of the existing neighborhoods.
- Policy H3(E): Eliminate unnecessary regulatory impediments to the development of affordable housing.
- Goal H4: Implement and coordinate strategies that promote public and private efforts to facilitate improvements to the housing stock.
- Policy H4(F): Promote increased housing density to provide a broader customer base for more affordable public services including utilities.
- (2) It does not conflict with other City, state and federal codes, regulations and ordinances. *Analysis:* The proposed amendments do not conflict with any other regulations.

II. CONCLUSIONS & RECOMMENDATION

Based on the findings above, the Planning Commission concludes that the proposed amendments to the Bremerton Municipal Code Title 20 Land Use Chapter, meets the requirements in BMC 20.18.020(d) text amendments, and therefore recommends to the City Council, the adoption of amendments to Title 20.

Respectfully submitted by:								
Andrea L. Spencer, Director of Community Development	Rick Tift, Planning Commission Chair							